

# **EXHIBIT B**



50 California Street, Suite 200, San Francisco, California 94111-4696 415-772-4500 www.theunitedway.com

Michael J. Murray  
CHAIRMAN

Anne Wilson  
CHIEF EXECUTIVE OFFICER

May 9, 2001

George Chen  
1852 Alvarado Avenue  
Walnut Creek, CA 94596

Dear Mr. Chen:

The following will confirm our mutual understanding with regard to your employment with The United Way of the Bay Area (The United Way). If you agree that it sets forth our complete understanding, and that nothing of any importance has been omitted, please sign both copies and return one for our corporate records. If you believe some important point has been inadvertently omitted, please advise me accordingly so that a new agreement can be drafted. Once executed, this will be the only agreement between you and The United Way and cannot be modified or changed in any way except by written amendment to which both parties agree.

We agree to employ you as an exempt management "at-will" employee effective May 16, 2001 as Senior Vice President and Director, Finance and Administration, and you agree to serve in that capacity. The benefits, duties, rules and obligations are as set forth in the description of benefits and management policies, which will be provided to you. A copy of your summary job description is attached to this agreement. Additional responsibilities may from time to time be assigned to you.

The annual base compensation for the first year of this agreement is \$100,000.00, plus all applicable employee benefits. Most of your health benefits will become effective July 1, 2001. Your employment with The United Way can be ended at any time, by The United Way or by you, for any reason. The United Way prides itself on maintaining the highest standards of performance and integrity, and on the ability of its employees at all levels to function together as a team. It also must retain the flexibility to respond immediately to shifting markets and business priorities. To accomplish these goals without risk of expensive and time-consuming litigation, The United Way must disavow any express or implied promises that employment will be for any particular length of time or that employment can only be terminated for "good cause," or only for any other reason.

PROMISING

Results you can SEE.

George Chen

May 9, 2001

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Recognizing that by retaining this valuable right, The United Way may cause disruption and inconvenience for you, and specifically, in consideration for the execution of a "General Release and Covenant Not to Sue" form ("Release"), The United Way agrees that employees who have completed their 180-day probation period and are terminated for other than gross insubordination, serious misconduct, or dishonesty, and who agree to sign the Release shall be entitled to a severance package which shall include the following:

Continuation on an "inactive" status, with full salary and medical/dental insurance benefits for a period of up to three months, or a lump sum payment of up to three months salary and continuation of medical/dental insurance benefits for ninety days. The length of salary and benefit continuation shall vary, depending upon length of service as follows:

- More than six months but less than one year: 2 weeks
- One year but less than two years: 1 month
- Two years but less than four years: 2 months
- Four years or more: 3 months

At the successful completion of your 180-day probationary period you will continue to remain an exempt management "at-will" employee. In order to provide our employees and The United Way with an inexpensive, swift and fair method for resolving any legal disputes which may arise between them concerning the application or termination of this agreement, The United Way agrees, and by signing this letter you also agree, that binding arbitration before a neutral arbitrator, rather than court litigation, shall be the sole method for resolving disputes.

By signing this agreement you agree that any and all disputes or controversies that you may have which arise out of, or as a result of employment hereunder, including claims of discrimination based upon sex, age, national origin, disability, race, or any other basis shall be resolved by final and binding arbitration as the sole and exclusive remedy. This agreement shall be governed by the Federal Arbitration Act (9 U.S.C. 1, et seq.) and the Arbitration must be initiated by your notice to The United Way within six months of the first occurrence of the events giving rise to the dispute. Such notice shall be in writing, delivered to the President, and shall contain a statement setting forth the remedy sought and the nature of the dispute, including the specifics of your claim. The sole neutral arbitrator shall be selected as provided in Rule 12 of the American Arbitration Association Voluntary Labor Arbitration Rules, as amended January 1, 1984. Rules 4-6, 10, 11, 16-24, and 26-46 of those same Rules shall apply to and govern the proceedings. Expenses of the arbitration, other than your attorney's fees, if any, or the expenses of producing witnesses or evidence for you, shall be paid by The United Way up to a maximum amount of \$1,000.00.

George Chen  
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Read this Agreement carefully before signing it, and consult an attorney, if you desire, since it will be the only agreement between us. If you believe other promises have been made previously, tell us about them before you sign and, if we agree, we will include them.

If this employment agreement is satisfactory to you, please sign and date where indicated below and return the original to me. An extra copy is enclosed for your files.

Sincerely,



Leticia Marquez  
Vice President & Director  
Employee Relations  
Human Resources

cc: Anne Wilson

Attachment Job Description  
Hire Package  
Copy of letter

I agree to the terms of employment set forth above and I understand I am accepting an exempt management "at-will" employment position.



Employee Signature

5/16/01

Date

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